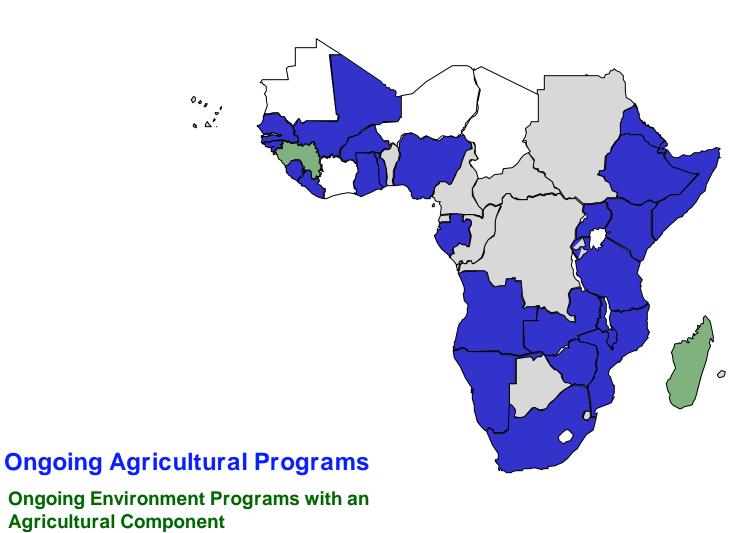
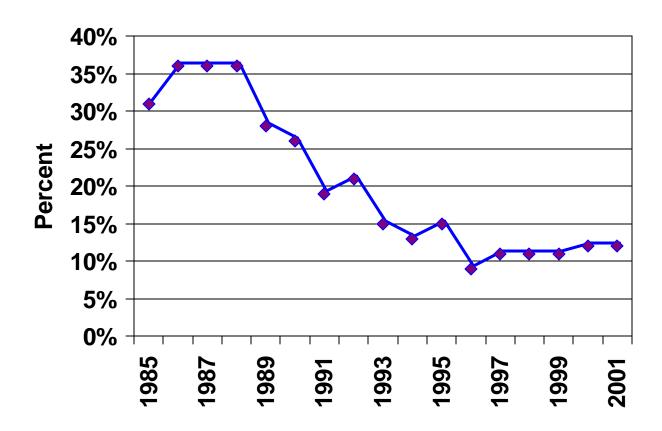


USAID Agricultural Programs As of 2001

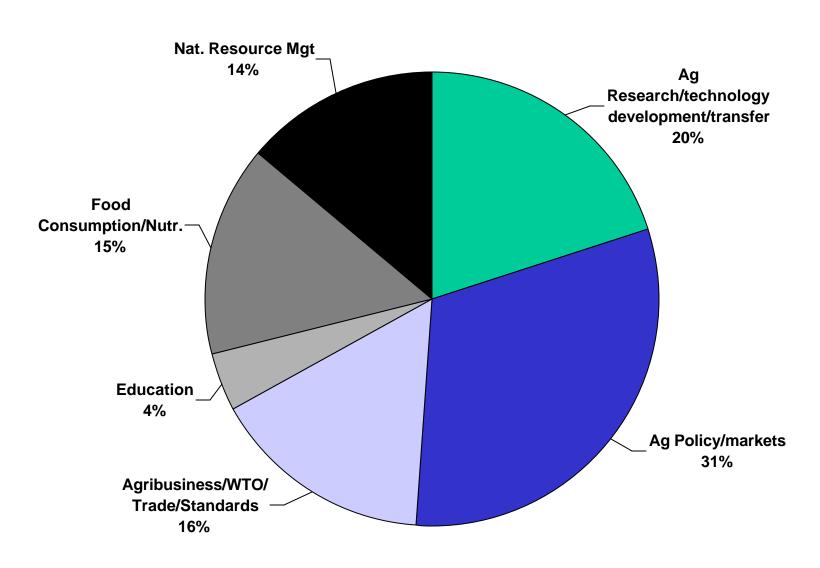


USAID Funding for Agriculture in Africa

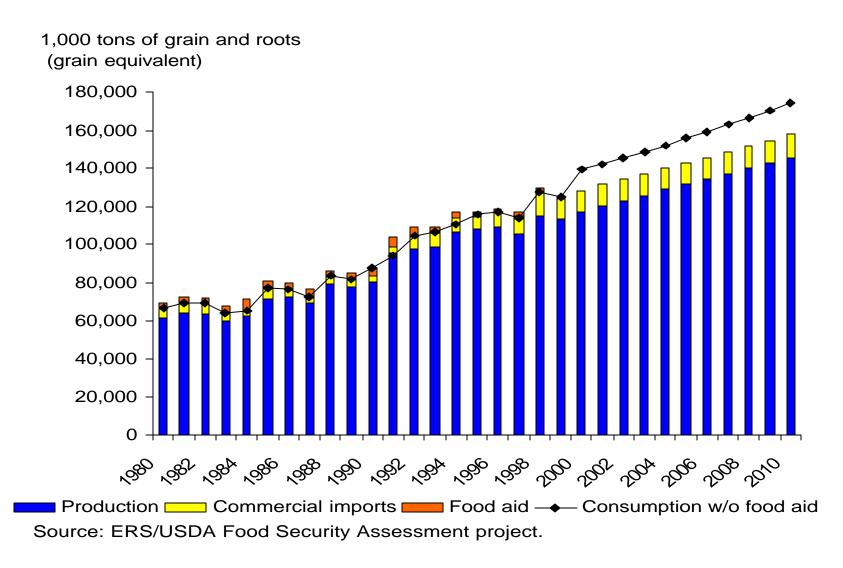
(Agr. as % of total DA)



How Agriculture (DA) Money is Spent in Africa



Sub-Saharan Africa's food supply

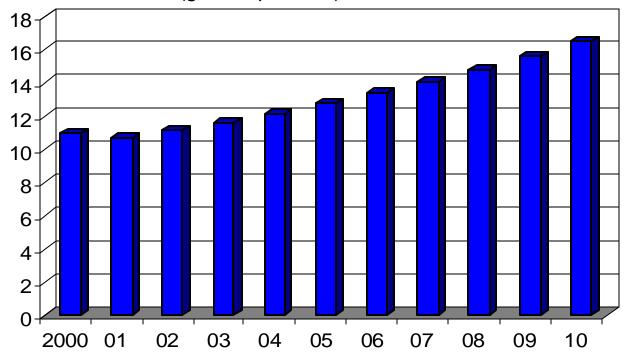


Note: Nonfood uses such as feed, seed, and waste have not been subtracted here.

Consumption projections are based on a nutritional target of 2,100 calories per capita per day.

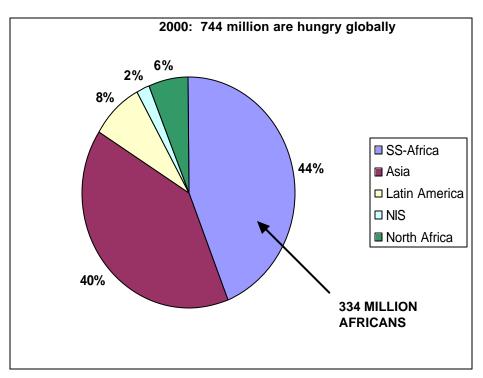
SSA's nutritional gap is widening

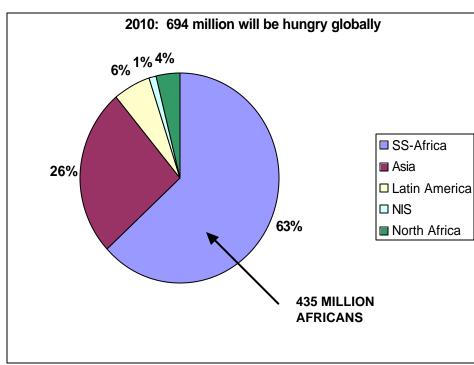
Million tons of food (grain equivalent)



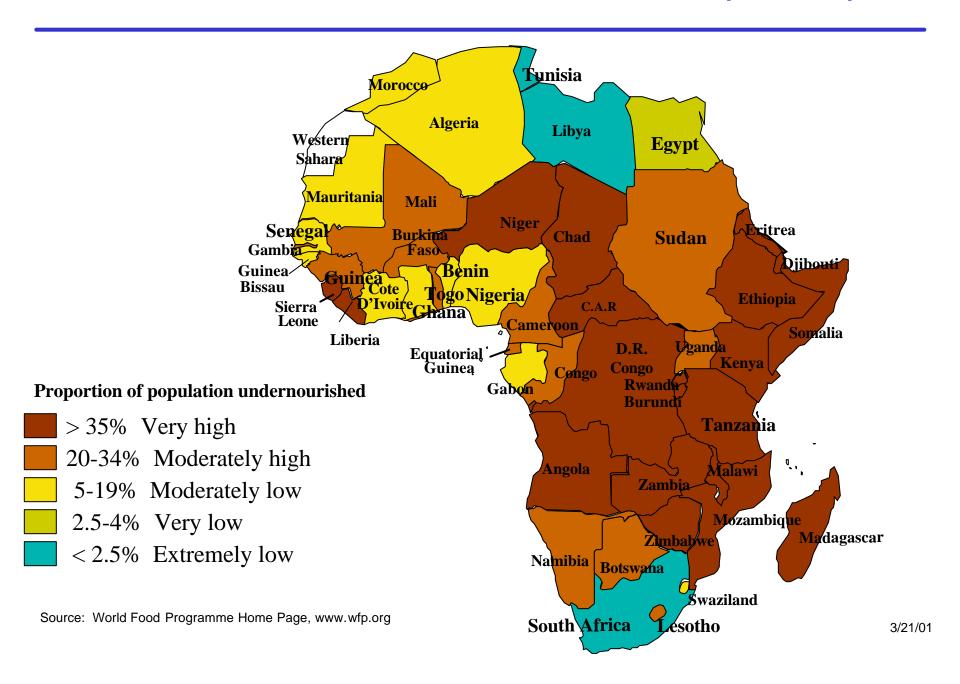
Source: ERS/USDA Food Security Assessment project.

More Africans are getting hungry: Sub-Saharan Africa's share of world hunger is rising sharply



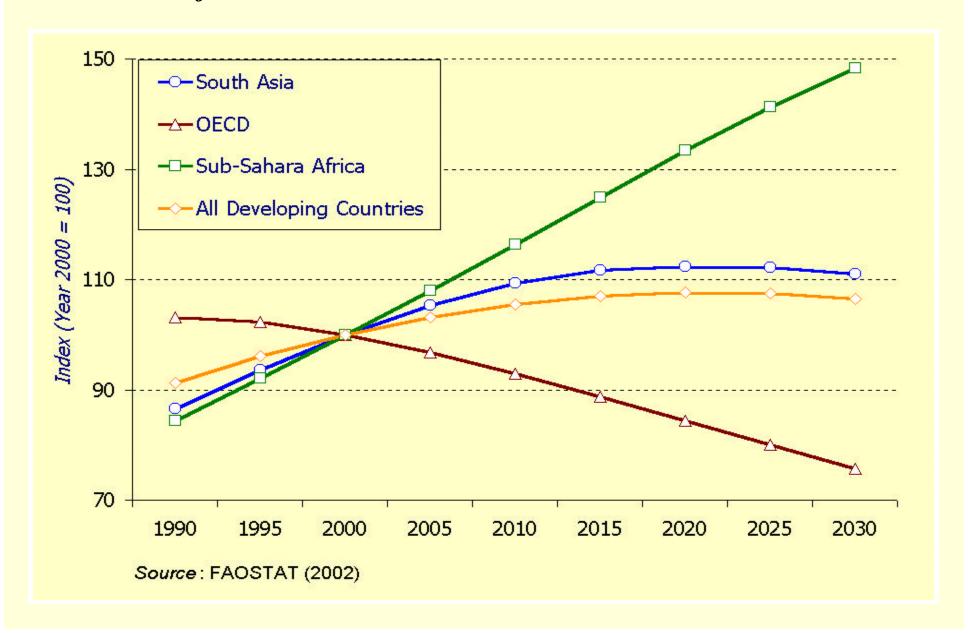


Prevalence of Undernourishment in Africa (1995/97)



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The rural population among developing countries is growing much faster in SSA



The Problem of Hunger in Africa is Real

- "It is estimated that 1 in 3 people in Africa go to bed hungry every night"
- "The problem is widespread and getting worse"
- "Over the next decade, Africa is the only region where the number of undernourished people is expected to rise"
 - e.g. A recent USDA study projects that by 2010 Africa will account for 63% of the World's hungry population

Reduction in Undernourishment in Sub-Saharan Africa by 2015

Program	Total number of people (in millions)	Intervention Costs (in millions of \$U.S.)
Reduce war and increase democracy	- 16	887
Open trade and reduce tariffs	- 7	660
Rural roads	- 7	1,172
Agricultural research	- 27	4,092
Targeted food aid	- 4	1,633
Female literacy	- 21	1,634
Total reduction in undernourished	- 82	10,078

Agriculture (especially smallholder agriculture) is the vehicle out of hunger and poverty

- * About 80% of the African population derive their <u>food and economic</u> <u>livelihood</u> from rural Agriculture
- ** Over 70% of the African labor force is employed in Agriculture

African Agriculture contributes over 30% to overall GDP

40% of Africa's export earnings are from Agriculture

*

In most countries, <u>smallholder agriculture</u> accounts for more than half of the total value of agricultural production, and up to 96% in some

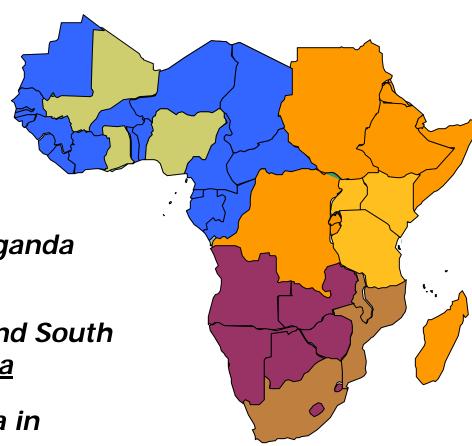
What are the key intervention areas under the new Agriculture Initiative to Cut Hunger in Africa?

- Science and technology applications and support services that harness the power of new technology
- Improving the efficiency of and participation in <u>agricultural trade and market</u> <u>systems</u> for major African products in local, regional and international markets
- Promote and strengthen <u>community based producer organizations</u> to help link business and farmers to create new opportunities that add value and increase incomes
- Build the <u>human and institutional capacity</u> to shape and lead the policy and research, as well as provide agricultural education.
- Integrate <u>vulnerable groups and countries in transition</u> into sustainable development processes.
- **Environmental management** to conserve and foster the production of environmental goods and services that contribute to economic growth

The principal focus countries selected will ideally have in place

- A government committed to and supporting an agriculture and economic growth strategy
- * An enabling environment that is conducive to private investment and growth
- A willingness to play a leading role in the sub-region to promote regional cooperation and agricultural growth.
 - A proven commitment to work with development partners in achieving goals

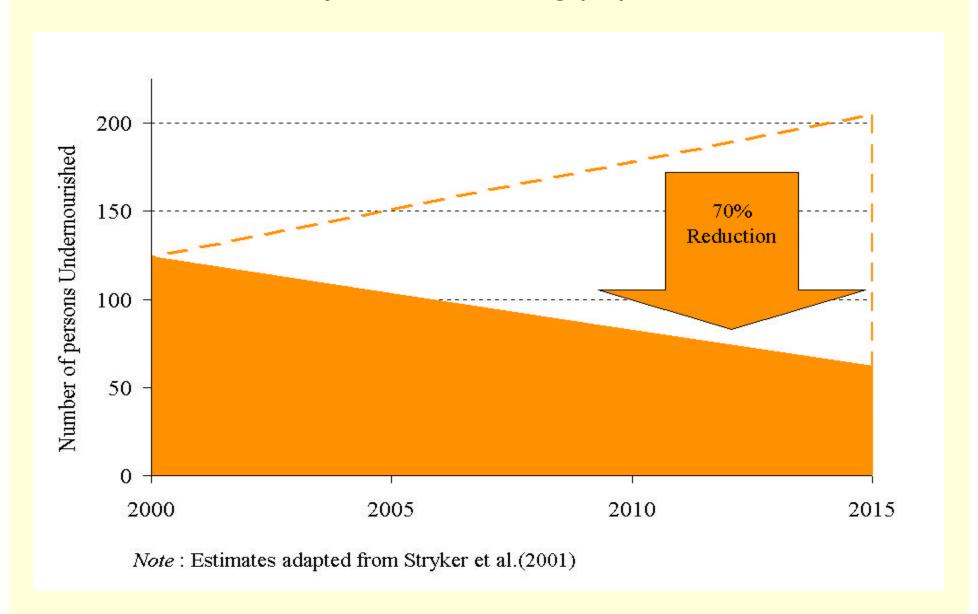
Where are the Focus Countries under the new Agricultural Initiative?



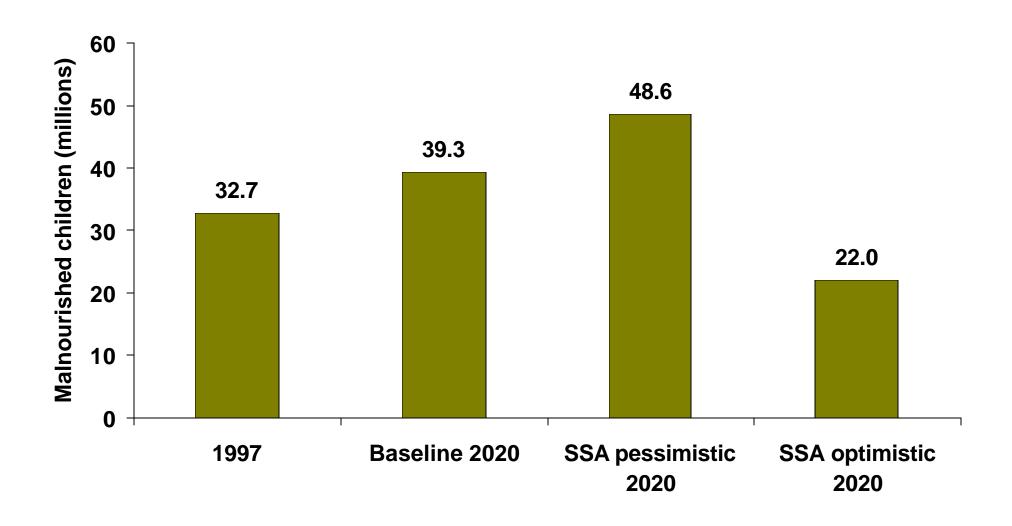
- Kenya, Tanzania and Uganda in <u>East & Central Africa</u>
- Mozambique, Malawi and South Africa in Southern Africa
- Nigeria, Mali and Ghana in West & Central Africa



What can we expect from a scaled up version that will cut in half the current hungry by 2015?

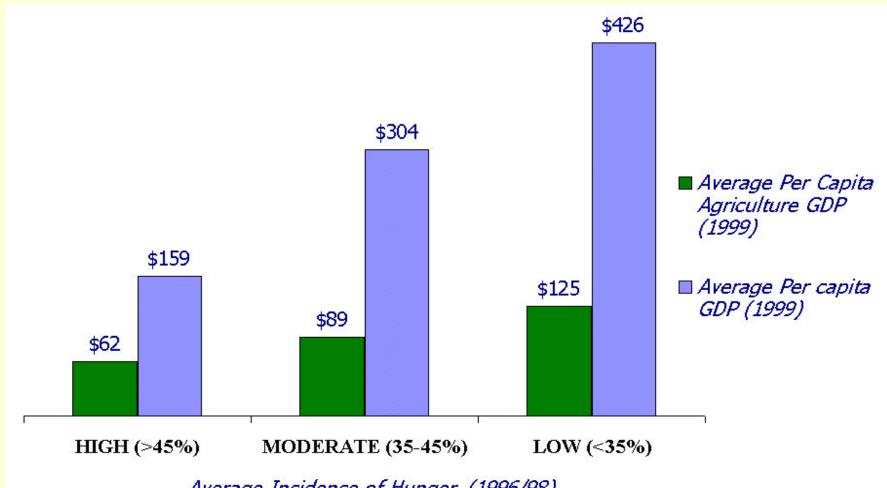


Number of Malnourished Children can be reduced significantly under the initiative (Source: IFPRI)



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Linking hunger in Africa to low agricultural output and incomes



Average Incidence of Hunger (1996/98)

Data Sources: FAO (2001) and World Bank Development Indicators (2000).

Note: Calculated from a total sample of 31 countries, excluding South Africa, Botswana and Namibia.

Agricultural Growth has large multiplier effects on overall Economic Growth ------ as well as Hunger and Poverty Reduction

- Multiplier effects can be as high as 2 to 3 times the original growth in agriculture (Delgado, 1998; Timmer, 1994)
- Agricultural growth has about as much impact on poverty reduction as per capita GDP growth (Thritle et al. 2001)
- A~1% increase in agriculture growth translates into a 1.6% rise in percapita incomes of the bottom quintile (Timmer, 1997)
- improvements in agricultural productivity can help to reduce child malnutrition at a rate of about half the original growth rate in productivity (Thirtle et al. 2001)

END